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IN THE

Supreme Court of the United States

OCTOBER TERM, 1941

No. 865

W. D. HADEN COMPANY,
Petitioner,

v.

THE MATHIESON ALKALI WORKS, INC.,
Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE FIFTH CIRCUIT.

ROBERT S. BLAIR
DANIEL L. MORRIS
PAUL A. BLAIR
JOHN C. BLAIR
of Counsel.

January 12, 1942

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To the Honorable the Chief Justice and the Associate Justices of the Supreme Court of the United States:

Your Petitioner, W. D. Haden Company, respectfully prays for a writ of certiorari to the Court of Appeals for the Fifth Circuit to review the judgment of that Court entered on September 13, 1941 (R. Vol. IV, p. 2655). A Petition for Rehearing was duly presented and was denied on October 13, 1941 (R. Vol. IV, p. 2662).

SUMMARY AND SHORT STATEMENT OF THE MATTER INVOLVED.

This is a suit for infringement of a patent on a process for converting oyster shells into a high grade lime suitable for a variety of purposes, particularly in the chemical industry. The Petitioner was plaintiff below.

Petitioner, W. D. Haden Company, owned The Haden Lime Company in Houston, Texas, which operated a plant particularly designed for processing and burning oyster shells to make lime. The shells were dredged from large oyster shell reefs existing along the Gulf Coast. This was the first plant ever built and operated to convert such oyster shells into high grade lime, the operation following in detail the process of the patentee, Cecil R. Haden, of the patent in suit.

Respondent, The Mathieson Alkali Works, Inc., is a large chemical company engaged in the manufacture of a number of "heavy" chemicals, for example, caustic soda. It operates three large plants located at Saltville, Virginia, Niagara Falls, New York, and Lake Charles, Louisiana. The manufacturing processes of the Respondent require large quantities of high grade lime. Hence, Respondent at its Lake Charles plant utilizes without license the process of the patent in suit to convert oyster shells into such high grade lime for use in its other manufacturing processes. Respondent's Lake Charles plant was built with the close cooperation of Petitioner who granted Respondent the entire facilities of its plant and organization to help Respondent's engineers design and build the infringing plant, with the understanding, of course, that there would be adequate compensation for this cooperation. After completing the plant with Petitioner's help, Respondent refused to pay more than a nominal consideration for a license and nothing at all for Petitioner's cooperation (R. Vol. I, p. 358). Consequently, this suit was commenced.

Trial was had throughout February, 1939, before His Honor Judge Ben C. Dawkins in the District Court for the Western District of Louisiana and in an opinion dated November 30, 1939, that Court held all of the claims of the patent valid but so limited in scope that they were not infringed by the Respondent (Opinion, R. Vol. I, p. 64; 30 Fed. Sup. 617).

Petitioner appealed to the Circuit Court of Appeals for the Fifth Circuit and that Court affirmed the judg-

ment of the District Court in an opinion dated September 13, 1941 (Opinion, R. Vol. IV, p. 2652; 122 Fed. 2d 650).

Thereafter, on October 3, 1941, Petitioner filed a Petition for Rehearing (R. Vol. IV, p. 2657) before the said Court of Appeals. This petition was denied by the Court on October 13, 1941 (R. Vol. IV, p. 2662).

SUBJECT MATTER AND DECISIONS BELOW.

The patent here involved, No. 1,896,403 (R. Vol. III, p. 2028) is entitled "Process of Making Lime From Oyster Shells". An understanding of the subject matter of this patent and hence the issues of this controversy necessitates a brief review of the lime making operation.

The common source of lime is limestone which, in its original state and nature, is calcium carbonate. The term "lime" is sometimes loosely used to designate crushed limestone and sometimes crushed oyster shell, *i. e.,* fine calcium carbonate, which is sometimes used on farms for fertilizer. However, most "lime" results from the burning of this limestone which drives off the carbon dioxide in the calcium carbonate to produce calcium oxide. This simple chemical reaction can best be understood from a consideration of the chemical equation:

$CaCO_3$ (calcium carbonate) + Heat = CaO (calcium oxide or lime) + CO_2

The product resulting from this chemical reaction varies widely. If waste chips of limestone or the shucks of an oyster cannery are burned in a crude kiln with the fuel, the resulting mixture may be called "lime" although it is a mass of impurities and really good only for farmers in the sweetening of soil. On the other hand, if care is taken in the burning of lime to avoid impurities and other difficulties such as "overburning" and "underburning", the resulting high grade lime is of great value in a number of industries.

In certain coastal waters of this country, almost entirely along the Gulf Coast, there are large and extensive reefs of

oyster shell. These reefs cover an enormous area to a depth of 25 feet or more; hence they are available for dredging in quantities figured in millions of tons. This huge supply of oyster shell has long been known to exist and, in fact, such shells have been dredged for a great many years to be used, for example, in road building, as poultry feed, and for other like purposes requiring an inexpensive raw material. Oyster shells, except for impurities entrapped thereon, are pure calcium carbonate, the same as limestone.

In spite of the fact that these reefs were an obvious source of calcium carbonate for burning into lime, no one prior to Haden succeeded in transforming this carbonate into a high grade lime. In spite of a very large demand for a high grade lime, limestone remained the sole raw material even though it must be quarried or mined before burning. Also the lime resulting from this laborious limestone process must be shipped over long distances to localities where limestone is not available.

This was the situation when the patentee first investigated the possibility of converting these reef shells to a high grade lime. Although he interviewed a number of authorities and spent a great deal of time in his investigation, he met discouragement on every hand (R. Vol. III, p. 1852). The feeling of these experts was that any effort to make real lime from reef shell on a commercial scale was doomed to failure. Notwithstanding this discouraging advice, Mr. Haden proceeded with experiments and evolved the invention covered by the patent in suit.

Having satisfied himself that, in spite of the experts, this process was a real possibility, the patentee induced the Petitioner to spend many thousands of dollars in the building of a plant at Houston, Texas, for the processing and conversion of reef oyster shell to a high grade lime. This plant started operation in November, 1929, and has been in continuous commercial operation ever since. The appearance of this plant in the lime industry was somewhat of a sensation for not only had the "impossible" been proved to be commercially feasible but also the immediate

possibilities for the utilization of this vast supply of raw material were apparent. That the lime industry accepted the Haden process as a definite advance in the art is evidenced by the substantial interest in the building and operation of Petitioner's plant (R. Vol. IV, pp. 2105-17).

These oyster shell reefs along the Gulf Coast have probably been in the making for thousands of years and comprise almost entirely dead shells although there may be some live oysters on the surface thereof. The dead shells are a solid, compact mass of interconnected shell (R. Vol. III, p. 1830), *i. e.*, large "clusters" of shell bonded together at various surface points. Packed in with this conglomerate mass of shell is dirt, sand and silt, the whole comprising a sturdy mass of material necessitating that the reef be broken up with heavy apparatus in order to effect dredging.

The technical details of the Haden process will not be taken up in detail here. They involve many scientific problems having to do with the intricate difficulties of converting this dirty mass of interconnected shell into a high grade lime suitable for chemical use. However, a broad description of the fundamental steps of the Haden process is important to gain an intelligent comprehension of the very important error in law made by the Court of Appeals in its decision that the Respondent does not infringe the Haden patent in suit. Petitioner respectfully submits that this error (flatly *contra* to the settled rule of this Court) is so important and, if followed, will have such a serious effect on the patent system, as well as the public in its efforts to determine the scope of patents, that it warrants this Court in exercising its supervisory authority by granting this Petition to settle the law on this fundamental principle.

The Haden process comprises the utilization of certain equipment to carry out the various steps contemplated. This equipment may vary according to conditions. However, this process may be conveniently carried out as follows: a hydraulic dredge which has a long beam structure

on its bow (R. Vol. III, p. 2033) supports a large rotary "cutter head" (R. Vol. III, p. 2034) with cutting blades on its rotating surface. In operation the cutter head rotates to bite into the reef structure, breaks up the reef and the shells themselves into individual pieces which are sucked up onto the dredge by hydraulic mechanism and into a rotary screen (R. Vol. III, pp. 2067, 2070) where the shells are washed and small bits of shell eliminated along with the dirt (R. Vol. I, p. 595). The shells are then transported to a shore plant where they are usually rewashed in an additional rotary screen (R. Vol. III, p. 2041) eliminating further small particles of shell and dirt so that the resultant mass of shell is clean and free from small material. Throughout the operation the shells are subjected to such rough treatment that all laminations and pockets are opened to release dirt, later removed during the washing operations.

As described in the patent, the process may include the use of crushing mechanism at the shore plant for further reducing the size of the shell when it is too large for burning, after which it is screened resulting in shell of a "substantially uniform size". It is important to have shell of a "substantially uniform size" to avoid "overburning" and "underburning" with resultant failure to make high grade lime. Shell which is "substantially uniform size" for a long kiln, such as that used by Respondent, may not be of "uniform size" for a small kiln such as Petitioner's (R. Vol. III, p. 1508). Consequently, when using a small kiln, the dredging and washing operations may not effect sufficient crushing to get the shells down within a size range suitable for the kiln without a separate crushing apparatus.

In addition to the crushing needed to reduce the oversize shells to a "substantially uniform size", the shells, whether oversize or not, must also be sufficiently crushed or given such rough treatment on the surface that the usual rough laminations or pockets on the outside of the shell structure are broken open to release entrapped dirt, such as silt and sand, which collects in such shell structure over the years they remain on the reef. If the dirt entrapped

in these crevices were not removed, it would be sufficient to cause great trouble in the burning of the shells, *i. e.*, substantial dust formation in the kiln and "overburning" of the shells which conditions are responsible for an inferior lime. Therefore, it is highly important that the shells receive this rough treatment, which has sometimes been referred to as "surface crushing", to eliminate these entrapped impurities. In this way, shells which are otherwise chemically pure calcium carbonate differ markedly from limestone which is usually pure calcium carbonate but, being stone, does not contain entrapped impurities in or on the surface of its structure. In fact, this fundamental difference between oyster shells and limestone and the problems resulting therefrom, which were solved by Haden, is probably the reason why no one prior to Haden had been able to successfully burn shells into real lime. This is probably also the main reason why the experts were so discouraging in their advice to Haden before he commenced his experiments.

After the shells are crushed, washed and sized as described above, they are introduced into a cylindrical rotary kiln to produce lime.

Thus there are two types of crushing, one to remove impurities whether or not the shells be of proper size and the other to bring the shells down to a proper size for burning.

The claims in the patent are all process claims. They may be divided into three groups: Claims 1, 3, 4 and 5 which may be termed "crushing for size" claims; claims 6, 7, 8 and 9 which may be termed the "sizing" claims; and claim 2 which may be termed the "crushing for cleansing" claim. This is not to say that these are the only features in the claims but these are the dominant features of the respective claims. Claims 6, 7, 8 and 9 do not recite any crushing step, being broader and concerned with the sizing, washing and burning of the shells. Claims 1, 3, 4 and 5 recite the "crushing for size" step, the sizing step, the washing step and the burning step. Claim 2, unlike any other claim in the patent, recites the step of crushing

"to remove deposits of foreign material" and does not include the "crushing for size" step.

The District Court held that all of the claims (including claim 2) of the patent were limited to the "crushing for size" step and, more particularly, to the use of an apparatus such as a roll crusher for performing this step (R. Vol. I, p. 89). This in spite of the fact that (1) the claims are all process claims and hence not limited to the use of any particular apparatus:

> *Expanded Metal Company* v. *Bradford,* 214 U. S. 366; 29 Sup. Ct. 652;
>
> *Cochrane* v. *Deener,* 94 U. S. 780;
>
> *Waxham* v. *Smith, et al.,* 294 U. S. 20; 55 Sup. Ct. 277,

and (2) claims 2, 6, 7, 8 and 9 do not mention the "crushing for size" step. This error was particularly flagrant with respect to claim 2 of the patent which is specifically limited to the "crushing for cleansing" step and does not even mention the "crushing for size" step.

In appealing, Petitioner emphasized this error in interpretation of claim 2, but the Court of Appeals, in affirming the District Court, while admitting that claim 2 did not contain this limitation, nevertheless held that claim 2 should be qualified by the other claims and hence that this limitation should be read into the claim: "Claim 2 is the only one which does not mention sizing the shells. * * * Claim 2, which includes crushing of oyster shells must be read in connection with the other claims." (R. Vol. IV, pp. 2654-5.)

REASONS RELIED UPON FOR THE GRANTING OF A WRIT OF CERTIORARI.

The discretionary power of this Court is invoked, although this is an ordinary patent case and there is no conflicting decision with any other Circuit Courts of Appeal, for the following reasons:

1. The Circuit Court of Appeals for the Fifth Circuit, by a holding that Respondent avoided infringement of

claim 2 of the patent in suit because it did not employ the step of "crushing for size", (which step was not a part of Claim 2) ignored a well-settled rule of this Court that the limitations of one claim in a patent cannot be read into another claim to avoid infringement. That this rule has been finally established by this Court on numerous occasions cannot be questioned:

Altoona Publix Theatres v. *American Tri-Ergon Corporation,* 294 U. S. 477; 55 Sup. Ct. 455, 459;

Leeds & Catlin Company v. *Victor Talking Machine Company,* 213 U. S. 301; 29 Sup. Ct. 495;

Smith v. *Snow, et al.,* 294 U. S. 1; 55 Sup. Ct. 279;

T. H. Symington Co. v. *National Malleable Castings Co., et al.,* 250 U. S. 383; 39 Sup. Ct. 542.

Further, Petitioner urges that this is a most important principle of patent law which has been settled by and should be maintained by this Court. To disregard this ruling and allow the lower courts to proceed on any such theory would finally reduce the patent system to such a state of impotence that it could never achieve its accepted purpose of offering protection to inventors responsible for substantial advances in the arts. If the lower courts are to be permitted to disregard the rulings of this court by inserting limitations taken from other claims into claims where no such limitations exist, then it will be a practical impossibility to determine the scope of any patent. No one would be able to foresee what limitations a court might place upon any claim of any patent. Also because of the resulting vagaries in the patent system no one would be able to determine whether or not a certain product or process infringes a certain patent and hence whether or not he would be in a position to proceed without defending himself against serious and expensive charges of infringement.

2. There is no real possibility of any conflict of decisions between two Circuit Courts of Appeal in this con-

troversy, and consequently under the doctrine of *Paramount Publix Corporation* v. *American Tri-Ergon Corporation*, 293 U. S. 528, 548, 629; 55 Sup. Ct. 101, 139 and *The Schriber-Schroth Company* v. *The Cleveland Trust Company, et al.*, 304 U. S. 587; 58 Sup. Ct. 1052, your Petitioner prays that the Court will take jurisdiction of this controversy in the exercise of its discretionary power so to do. Practically all of these oyster shell-lime operations are situated in the Fifth Circuit, and practically all of the reef shell is off the Gulf Coast, the exceptions being of minor importance. Petitioner has a licensee under the patent in suit operating on the Pacific Coast. There are several sporadic operations in Virginia where oyster shell is burned for the purpose of making dirty fertilizer-lime and there is a plant in South Carolina manufacturing some lime from oyster shell cannery shucks. The Virginia operations have nothing to do with the process in suit; as a matter of fact, this type of fertilizer was made in the same way and in the same locality back in Revolutionary War days. While we have no first hand information of the operation in South Carolina beyond the fact that oyster shucks are used, the fact that the raw material is shucks indicates that such process is probably of no concern to Petitioner for the Haden process is primarily concerned with the conversion of reef shell to a high grade lime. These facts are all borne out by the letter from the Bureau of Mines submitted herewith. This bureau has definite knowledge of all of these lime operations and the letter substantiates the first hand information available to Petitioner.

In passing we note with interest that this bureau is evidently satisfied that Petitioner's plant at Houston, Texas, was the "pioneer in this industry".

On the other hand, large quantities of this oyster shell lime are being made daily in the Fifth Circuit, but your Petitioner cannot, in practicality, proceed against these infringers in view of the decision of the Circuit Court of Appeals for that circuit. Accordingly, Petitioner after spending many thousands of dollars to obtain his patent

and to enforce that patent against Respondent is now unable, purely because of the location of other infringing operations, to proceed any further even though he is convinced that other Circuit Courts of Appeal might well take a contrary view, thereby creating a conflict of decisions which would bring the matter before this Court. If the patent system is to be maintained, and it still enjoys statutory approval, it is certainly in the public interest to see to it that an inventor such as Haden be given the advantage of a hearing before this Court, especially where his plight is purely the result of an error of the only Court of Appeals available to him, which error is *contra* to the settled law as enunciated in numerous decisions of this Court.

PUBLIC IMPORTANCE.

Unlike the usual patent case, the error of the Circuit Court of Appeals for the Fifth Circuit, which may not only be followed in future decisions of that Court but which may be adopted by other courts in other circuits, will eventually result in reducing the patent system to such a vague and unsettled state of uncertainty that it will be quite impossible for the public to determine with any semblance of accuracy the scope of patents. Consequently, no one will be able to determine whether any article he proposes to put on the market or any process he proposes to practice infringes any patent because of a lack of any sound method of determining the scope of such patent prior to costly litigation.

The majority of patents issued by the United States Patent Office contain more than one claim and these claims have been allowed by trained examiners after extensive examination of the particular art to which the patent is directed. The various claims in a patent are usually first directed to the broader aspects of the invention and secondly to the more specific details. Often in determining matters of infringement some of the claims in a patent will be found to be infringed by particular structure or a particular process while others will be found to contain limitations which avoid infringement. This is the reason why

most patents contain more than one claim. It would be a practical impossibility for the patentee to maintain the protection to which he is entitled without more than one claim.

If, however, all of the claims in the patent are to contain all of the limitations of every claim in the patent, as held by the Circuit Court of Appeals for the Fifth Circuit, there no longer remains any reason for more than one claim in a patent. The patentee's protection would thus be limited most unfairly, and also there would be the resultant risk that the claim, if sufficiently broad, did not define his invention over the prior art which would invalidate the patent even though it dealt with an invaluable invention.

A logical conclusion of this theory of the Circuit Court of Appeals would be the lack of any necessity for any claims in the patent except some such general statement as "The invention as herein described in the specification and drawings". If the patent system is reduced to such a state of affairs, individual patent rights will become so ill-defined and susceptible to such manifold interpretation that the public will be continually harassed by unfounded or far-fetched charges of infringement. Furthermore, one charged with infringement will find it impossible to obtain any reliable information concerning his rights without resort to costly litigation.

WHEREFORE, your Petitioner respectfully prays that a writ of certiorari be issued to the United States Circuit Court of Appeals for the Fifth Circuit so that this cause may be reviewed and determined by this Court.

ROBERT S. BLAIR,
DANIEL L. MORRIS,
PAUL A. BLAIR,
JOHN C. BLAIR,
Of Counsel.

January 12, 1942.